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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Outgoing
C0070041
OK

January 24, 2011

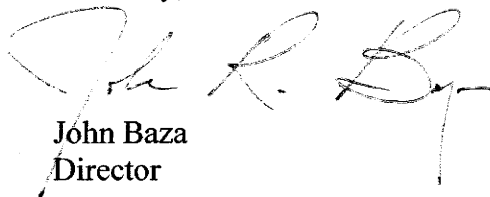
Roger Bankert
Bureau of Land Management
P. O. Box 45155
Salt Lake City, Utah 84145-0155

Subject: Lease Numbers SL068754 and UTU 78562, West Ridge Resources, C/0070041

Dear Mr. Bankert:

I have reviewed the request by West Ridge Resources to reduce the royalty rate for the referenced federal coal leases to five percent (5%) for a two-year period. Based on the BLM's geologic and economic analysis of the situation, I am offering Utah's support in favor of the BLM granting West Ridge Resources the royalty reduction that they are requesting.

Sincerely,



John Baza
Director

DD/vs

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